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**INSTITUTE FOR ACADEMIC EXCELLENCE
(d/b/a SOPHIE B. WRIGHT CHARTER SCHOOL)
FINANCIAL STATEMENTS
JUNE 30, 2009**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 2/3/10

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Silva Gurtner & Abney

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Institute for Academic Excellence
New Orleans, LA

We have audited the accompanying statement of financial position of the Institute for Academic Excellence (the Institute), d/b/a Sophie B. Wright Charter School (a non-profit corporation) as of June 30, 2009 and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Institute's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Institute for Academic Excellence as of June 30, 2009, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2009 on our consideration of the Institute's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of the Institute taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis required by U. S. Office of Management and Budget Circular A-133, Audits of States, Local Government, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Silva Gurtner & Abney, LLC

December 21, 2009

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**INSTITUTE FOR ACADEMIC EXCELLENCE
(d/b/a SOPHIE B. WRIGHT CHARTER SCHOOL)
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2009**

ASSETS	
Current Assets	
Cash and cash equivalents	\$ 1,702,689
Accounts receivable	10,399
Accounts receivable - grants	91,149
Total Current Assets	<u>1,804,237</u>
Property and Equipment	
Property and equipment, net	257,449
Other Assets	
Other assets	26,618
Funds held on behalf of others	42,371
Total Other Assets	<u>68,989</u>
 TOTAL ASSETS	 <u>\$ 2,130,675</u>
LIABILITIES AND NET ASSETS	
Current Liabilities	
Accounts payable and accrued expenses	\$ 117,152
Due to others	42,371
Total Current Liabilities	<u>159,523</u>
 Total Liabilities	 159,523
 Net assets – unrestricted	 <u>1,971,152</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 2,130,675</u>

The accompanying notes are an integral part of this financial statement.

**INSTITUTE FOR ACADEMIC EXCELLENCE
(d/b/a SOPHIE B. WRIGHT CHARTER SCHOOL)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009**

REVENUES

State public school funding	\$ 2,819,076
Other state funding	67,770
Federal sources	824,697
Other income	<u>17,117</u>
 Total Revenues	 3,728,660

EXPENSES

Instruction	
Regular education programs	1,815,870
Special education programs	142,670
Other instructional programs	<u>104,229</u>
	2,062,769
Support Services	
Pupil support services	33,342
Instructional staff services	83,182
School administration	474,815
Business services	166,513
Operation and maintenance	274,399
Student transportation service	230,887
Food services	251,285
Depreciation	<u>83,181</u>
	<u>1,597,604</u>
 Total Expenses	 3,660,373
 Change in Net Assets	 68,287
 Net Assets, Beginning of Year	 <u>1,902,865</u>
 Net Assets, End of Year	 <u>\$ 1,971,152</u>

The accompanying notes are an integral part of this financial statement.

**INSTITUTE FOR ACADEMIC EXCELLENCE
(d/b/a SOPHIE B. WRIGHT CHARTER SCHOOL)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2009**

Cash Flows From Operating Activities	
Increase in net assets	\$ 68,287
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
Depreciation	83,181
Change in operating assets and liabilities:	
Accounts receivable - grants	1,279,061
Other assets	(9,944)
Accounts payable and accrued expenses	<u>(112,847)</u>
Net cash provided by operating activities	1,307,738
 Cash Flows From Investing Activities	
Payment for purchases of property and equipment	<u>(6,950)</u>
Net cash used in investing activities	(6,950)
 Net increase in cash and cash equivalents	1,300,788
 Cash and cash equivalents, beginning of year	<u>401,901</u>
Cash and cash equivalents, end of year	<u><u>\$ 1,702,689</u></u>

The accompanying notes are an integral part of this financial statement.

**INSTITUTE FOR ACADEMIC EXCELLENCE
(d/b/a SOPHIE B. WRIGHT CHARTER SCHOOL)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Institute for Academic Excellence d/b/a Sophie B. Wright Charter School (the School) was granted a charter by the State Board of Elementary and Secondary Education in 2004 to promote excellence in a caring environment and to prepare each student, in a partnership with parents and community, to be a lifelong self-directed learner in a diverse society. The Institute for Academic Excellence is a Type 5 Charter School governed by a board of directors.

Income Tax Status

The Institute for Academic Excellence is a nonprofit organization exempt from federal and state income tax under Section 501(c)(3) of the United States Internal Revenue Code.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Public Support and Revenue

The Institute for Academic Excellence receives grant support primarily from the Louisiana State Department of Education.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills and are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increase those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. The Institute for Academic Excellence had no temporarily or permanently restricted net assets as of June 30, 2009 arising from contributions.

Cash and cash equivalents

The School considers all unrestricted, highly liquid investments with an initial maturity of less than three months as cash and cash equivalents.

**INSTITUTE FOR ACADEMIC EXCELLENCE
(d/b/a SOPHIE B. WRIGHT CHARTER SCHOOL)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment

Property and equipment are capitalized at cost. It is the School's policy to capitalize expenditures for these items in excess of \$1,000. Lesser amounts are expensed. Property and equipment is being depreciated over their estimated useful lives using the straight-line method, using the following lives:

Machinery and equipment	5 years
Leasehold improvements	5-10 years

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE B – CASH AND CASH EQUIVALENTS

At June 30, 2009, all cash and cash equivalents were on deposit at a local financial institution. At various times during the fiscal year, the School's cash in bank balances may exceed the federally insured limits. At June 30, 2009, the School's uninsured cash balances totaled \$1,628,382. The School has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk to cash.

NOTE C – ACCOUNTS RECEIVABLE - GRANTS

Grants receivable are deemed to be fully collectible by management; accordingly, no allowance for doubtful accounts is required. Grants receivable are comprised of the following at June 30, 2009:

U.S. Department of Education passed through
the Louisiana Department of Education:

IDEA Part B - Special Education	\$ 9,137
Title I - Part A	70,805
Title II - Part A	607
Title IV - Safe & Drug Free Schools	<u>2,250</u>
Total U.S. Department of Education	<u>82,799</u>

U.S. Department of Agriculture passed through
the Louisiana Department of Education:

School Breakfast/Lunch Program	<u>8,350</u>
Total Grants Receivable	<u>\$ 91,149</u>

**INSTITUTE FOR ACADEMIC EXCELLENCE
(d/b/a SOPHIE B. WRIGHT CHARTER SCHOOL)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009**

NOTE D – PROPERTY AND EQUIPMENT

Property and equipment as of June 30, 2009 consisted of the following:

Machinery and equipment	\$	193,133
Leasehold improvements		277,957
Less: accumulated depreciation		(213,641)
Total	\$	<u>257,449</u>

Depreciation expense was \$83,181 for the year ended June 30, 2009.

NOTE E – RETIREMENT SYSTEM

Substantially all employees of the School are members of two statewide retirement systems. In general, professional employees (such as teachers and principals) are members of the Teachers' Retirement System of Louisiana; other employees, such as custodial personnel, are members of the Louisiana School Employees' Retirement System. These systems are cost sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

A. Teachers' Retirement System of Louisiana (TRSL)

Plan Description. The TRSL consists of three membership plans: Regular Plan, Plan A, and Plan B. The TRSL provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The TRSL issues a publicly available financial report and includes financial statements and required supplementary information for the TRSL. That report may be obtained by writing to the Teachers' Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, LA 70804-9123, or by calling (225) 925-6446.

Funding Policy. Plan members are required to contribute 8.0 percent, 9.1 percent, and 5.0 percent to their annual covered salary for the Regular Plan, Plan A, and Plan B, respectively. The School is required to contribute at an actuarially determined rate. The current rate is 15.5 percent of annual covered payroll for all three membership plans. Member contributions and employer's contributions for the TRSL are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School's employer contribution for the TRSL, as provide by state law, is funded by the State of Louisiana through annual appropriations and by remittances from the School.

The School's contributions to the TRSL for the year ended June 30, 2009 were \$269,937; equal to the required contributions for this year.

**INSTITUTE FOR ACADEMIC EXCELLENCE
(d/b/a SOPHIE B. WRIGHT CHARTER SCHOOL)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009**

NOTE E – RETIREMENT SYSTEM (continued)

B. Louisiana School Employees' Retirement System (LSERS)

Plan Description. The LSERS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The LSERS issues a publicly available financial report that includes financial statements and required supplementary information for the LSERS. That report may be obtained by writing to the Teachers' Retirement System of Louisiana, Post Office Box 44516, Baton Rouge, LA 70804, or by calling (225) 925-6484.

Funding Policy. Plan members are required to contribute 7.5 percent of their annual covered salary, and the School board is required to contribute at an actuarially determined rate. The current rate is 6.0 percent of annual covered payroll. Member contributions and employer contributions for the LSERS are established by state law, and rates are established by the Public Retirement System's Actuarial Committee. The School's employer contribution for the LSERS is funded by the State of Louisiana through annual appropriations.

The School's contributions to the LSERS for the year ended June 30, 2009 were \$10,640; equal to the required contributions for this year.

NOTE F – COMPENSATED ABSENCES

Teachers and staff are allowed a maximum of 10 cumulative sick and/or personal days per year. These days will not carry over to the next year, but may, at the discretion of the board, be used for extended sick leave if an employee has a medical event that necessitates longer than 10 days of recovery, and permission is granted by the board of directors of the Institute for Academic Excellence. At the time of retirement, death or termination, no monies will be owed or paid to an employee for accumulated sick days. If an employee leaves the School to continue in another public school system, the accumulated days on record will be transferred to that system upon resignation from Institute for Academic Excellence.

NOTE G – FUNDS HELD ON BEHALF OF OTHERS

The School acts as a custodian for a few student activity bank accounts. Funds held on behalf of these groups amounted to \$42,371 at June 30, 2009 and are reported as both an asset (Funds held on behalf of others) and a liability (Due to others). Consequently, there is no effect on the School's net assets.

NOTE H – LINE OF CREDIT

As of June 30, 2009, the School had a \$750,000 revolving line of credit. The line of credit was unused at June 30, 2009. Bank advances on the credit line are payable on demand and carry an interest rate equal to the Prime rate (2.75% at June 30, 2009). The credit line is secured by substantially all of the School's bank accounts.

**SCHEDULES REQUIRED BY STATE LAW
(R.S. 24:514 – PERFORMANCE AND STATISTICAL DATA)**



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED UPON PROCEDURES

To the Board of Directors
Institute for Academic Excellence
New Orleans, LA

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of the Institute for Academic Excellence and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of the Institute for Academic Excellence and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE) Bulletin. Management of Institute for Academic Excellence is responsible for its performance and statistical data. This agreed-upon procedure engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 1)

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:

- Total General Fund Instructional Expenditures,
- Total General Fund Equipment Expenditures,
- Total Local Taxation Revenue - not applicable,
- Total Local Earnings on Investment in Real Property - not applicable,
- Total State Revenue in Lieu of Taxes - not applicable,,
- Nonpublic Textbook Revenue - not applicable, and
- Nonpublic Transportation Revenue - not applicable.

Findings: None

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Education Levels of Public School Staff (Schedule 2)

2. We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1st.

Findings: None

3. We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per the schedule.

Findings: None

4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1st and as reported on the schedule. We traced a random sample of 5 teachers to the individual's personnel file and determine if the individual's education level was properly classified on the schedule.

Findings: None

Number and Type of Public Schools (Schedule 3)

5. We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the Title 1 Grants to Local Educational Agencies (CFDA 84.010) application and/or the National School Lunch Program (CFDA 10.555) application.

Findings: None

Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers (Schedule 4)

6. We obtained a list of full-time teachers, principals and assistant principals by classification as of October 1st and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

Findings: None

Public School Staff Data (Schedule 5)

7. We obtained a list of classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a random sample of 5 teachers to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule.

Findings: None

8. We recalculated the average salaries and full-time equivalents reported in the schedule.

Findings: None

Class Size Characteristics (Schedule 6)

9. We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5. We then traced a random sample of 10 classes to the October 1st roll books for those classes and determined if the class was properly classified on the schedule.

Findings: None

Louisiana Educational Assessment Program (LEAP) for the 21st Century (Schedule 7)

10. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the Institute for Academic Excellence.

Findings: None

Graduation Exit Exam (GEE) (Schedule 8)

11. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the Institute for Academic Excellence.

This schedule does not apply to Institute for Academic Excellence because the grade level of the School is 4th through 8th.

iLEAP Tests (Schedule 9)

12. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the Institute for Academic Excellence.

Findings: None

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the management of the Institute for Academic Excellence, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Silva Gurtner & Albrey, LLC

December 21, 2009

**INSTITUTE FOR ACADEMIC EXCELLENCE
(d/b/a SOPHIE B. WRIGHT CHARTER SCHOOL)
SCHEDULE 1 – GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES
AND CERTAIN LOCAL REVENUE SOURCES
FOR THE YEAR ENDED JUNE 30, 2009**

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 948,073	
Other Instructional Staff Salaries	116,924	
Employee Benefits	250,562	
Purchased Professional and Technical Services	5,000	
Instructional Materials and Supplies	168,496	
Instructional Equipment	<u>1,950</u>	
Total Teacher and Student Interaction Activities		1,491,005

Other Instructional Activities 180

Pupil Support Services	33,342	
Less: Equipment for Pupil Support Services	<u>-</u>	
Net Pupil Support Services		33,342

Instructional Staff Services	72,089	
Less: Equipment for Instructional Staff Services	<u>-</u>	
Net Instructional Staff Services		72,089

School Administration	369,857	
Less: Equipment for School Administration	<u>4,212</u>	
Net School Administration		<u>365,645</u>

Total General Fund Instructional Expenditures \$ 1,962,261

Total General Fund Equipment Expenditures \$ 4,212

See independent accountants' report for applying agreed-upon procedures.

INSTITUTE FOR ACADEMIC EXCELLENCE
(d/b/a SOPHIE B. WRIGHT CHARTER SCHOOL)
SCHEDULE 2 – EDUCATION LEVELS OF PUBLIC SCHOOL STAFF
AS OF OCTOBER 1, 2008

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree								
Bachelor's Degree	14	78%	3	100%				
Master's Degree	4	22%			1	50%		
Master's Degree + 30 Specialist in Education					1	50%		
Ph.D or Ed.D								
Total	18	100%	3	100%	2	100%		

SCHEDULE 3 – NUMBER AND TYPE OF PUBLIC SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2009

Type	Number
Elementary	
Middle/Jr. High	1
Secondary	
Combination	
Total	1

SCHEDULE 4 – EXPERIENCE OF PUBLIC PRINCIPALS
AND FULL-TIME CLASSROOM TEACHERS
AS OF OCTOBER 1, 2008

	0-1 Yrs.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals			1					1
Principals				1				1
Classroom Teachers	0	1	8	3	2	4	3	21
Total	0	1	9	4	2	4	3	23

See independent accountants' report for applying agreed-upon procedures.

**INSTITUTE FOR ACADEMIC EXCELLENCE
(d/b/a SOPHIE B. WRIGHT CHARTER SCHOOL)
SCHEDULE 5 – PUBLIC SCHOOL STAFF DATA
FOR THE YEAR ENDED JUNE 30, 2009**

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teachers' Salary Including Extra Compensation	\$ 51,573	\$ 51,619
Average Classroom Teachers' Salary Excluding Extra Compensation	\$ 49,654	\$ 49,783
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	23.5	21.5

Notes

Figures reported include all sources of funding (i.e., federal, state, and local) but exclude employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers and ROTC teachers receive more compensation.

**SCHEDULE 6 – CLASS SIZE CHARACTERISTICS
AS OF OCTOBER 1, 2008**

School Type	Class Size Range							
	1 – 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary								
Elementary Activity Classes								
Middle/Jr. High	36%	35	46%	45	<1%	1	0%	0
Middle/Jr. High Activity Classes	7%	7	<1%	3	<1%	3	<1%	2
High								
High Activity Classes								
Combination								
Combination Activity Classes								

Note: The Board of Elementary and Secondary Education (BESE) has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades 4-12 is 33 students. These limits do not apply to activity classes such as physical education, chorus, band, and other classes without maximum enrollment standards. Therefore, these classes are included only as separate line items.

See independent accountants' report for applying agreed-upon procedures.

INSTITUTE FOR ACADEMIC EXCELLENCE
(d/b/a SOPHIE B. WRIGHT CHARTER SCHOOL)
SCHEDULE 7 – LOUISIANA EDUCATIONAL ASSESSMENT PROGRAM (LEAP)
FOR THE YEAR ENDED JUNE 30, 2009

District Achievement Level Results	English Language Arts						Mathematics					
	2009			2008			2007			2008		
	Number	Percent		Number	Percent		Number	Percent		Number	Percent	
Students												
Grade 4												
Advanced	0	0%		1	4%		0	0%		1	4%	0
Mastery	13	36%		1	4%		1	4%		10	38%	4
Basic	19	53%		18	69%		16	67%		13	50%	15
Approaching Basic	4	11%		6	23%		6	25%		2	8%	4
Unsatisfactory	0	0%		0	0%		1	4%		0	0%	1
Total	36	100%		26	100%		24	100%		26	100%	24

District Achievement Level Results	English Language Arts						Mathematics					
	2009			2008			2007			2008		
	Number	Percent		Number	Percent		Number	Percent		Number	Percent	
Students												
Grade 8												
Advanced	0	0%		0	0%		1	1%		0	0%	0
Mastery	3	3%		3	3%		3	4%		0	0%	2
Basic	42	39%		44	49%		31	37%		35	39%	32
Approaching Basic	55	50%		37	42%		39	46%		37	42%	27
Unsatisfactory	9	8%		5	6%		10	12%		17	19%	23
Total	109	100%		89	100%		84	100%		89	100%	84

(continued)

INSTITUTE FOR ACADEMIC EXCELLENCE
(d/b/a SOPHIE B. WRIGHT CHARTER SCHOOL)
SCHEDULE 7 – LOUISIANA EDUCATIONAL ASSESSMENT PROGRAM (LEAP), continued
FOR THE YEAR ENDED JUNE 30, 2009

District Achievement Level Results	Science						Social Studies					
	2009			2008			2007			2009		
	Number	Percent		Number	Percent		Number	Percent		Number	Percent	
Grade 4												
Advanced	0	0%		1	4%		0	0%		3	8%	
Mastery	1	3%		0	0%		1	4%		7	20%	
Basic	21	58%		12	46%		8	33%		22	61%	
Approaching Basic	11	31%		11	42%		9	38%		3	8%	
Unsatisfactory	3	8%		2	8%		6	25%		1	3%	
Total	36	100%		26	100%		24	100%		36	100%	

District Achievement Level Results	Science						Social Studies					
	2009			2008			2007			2009		
	Number	Percent		Number	Percent		Number	Percent		Number	Percent	
Grade 8												
Advanced	0	0%		0	0%		0	0%		0	0%	
Mastery	8	7%		3	3%		2	2%		3	3%	
Basic	45	41%		18	20%		24	29%		47	43%	
Approaching Basic	30	28%		38	43%		41	49%		33	30%	
Unsatisfactory	26	24%		30	34%		17	20%		26	24%	
Total	109	100%		89	100%		84	100%		109	100%	

See independent accountants' report for applying agreed-upon procedures

**INSTITUTE FOR ACADEMIC EXCELLENCE
(d/b/a SOPHIE B. WRIGHT CHARTER SCHOOL)
SCHEDULE 8 – GRADUATION EXIT EXAM (GEE)
FOR THE YEAR ENDED JUNE 30, 2009**

District Achievement Level Results	English Language Arts						Mathematics					
	2009			2008			2007			2009		
	Number	Percent		Number	Percent		Number	Percent		Number	Percent	
Students												
Grade 10												
Advanced												
Proficient												
Basic	N/A			N/A			N/A			N/A		N/A
Approaching Basic												
Unsatisfactory												
Total												

District Achievement Level Results	Science						Social Studies					
	2009			2008			2007			2009		
	Number	Percent		Number	Percent		Number	Percent		Number	Percent	
Students												
Grade 11												
Advanced												
Mastery												
Basic	N/A			N/A			N/A			N/A		N/A
Approaching Basic												
Unsatisfactory												
Total												

Note: This schedule does not apply to Institute for Academic Excellence because the grade level of the School is 4th through 8th.

See independent accountants' report for applying agreed-upon procedures.

**INSTITUTE FOR ACADEMIC EXCELLENCE
(d/b/a SOPHIE B. WRIGHT CHARTER SCHOOL)
SCHEDULE 9 – iLEAP TESTS
FOR THE YEAR ENDED JUNE 30, 2009**

District Achievement Level Results	English Language Arts 2009		Mathematics 2009		Science 2009		Social Studies 2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced								
Mastery								
Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Approaching Basic								
Unsatisfactory								
Total								

District Achievement Level Results	English Language Arts 2008		Mathematics 2008		Science 2008		Social Studies 2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced								
Mastery								
Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Approaching Basic								
Unsatisfactory								
Total								

(continued)

INSTITUTE FOR ACADEMIC EXCELLENCE
(d/b/a SOPHIE B. WRIGHT CHARTER SCHOOL)
SCHEDULE 9 – iLEAP TESTS
FOR THE YEAR ENDED JUNE 30, 2009

District Achievement Level	English Language Arts		Mathematics		Science		Social Studies	
	2009	2009	2009	2009	2009	2009	2009	2009
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	0	0%	2	4%	2	4%	0	0%
Mastery	6	12%	4	8%	1	2%	3	6%
Basic	28	57%	25	51%	16	33%	16	33%
Approaching Basic	9	19%	11	23%	23	47%	18	37%
Unsatisfactory	6	12%	7	14%	7	14%	12	24%
Total	49	100%	49	100%	49	100%	49	100%

District Achievement Level	English Language Arts		Mathematics		Science		Social Studies	
	2008	2008	2008	2008	2008	2008	2008	2008
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	0	0%	0	0%	0	0%	0	0%
Mastery	0	0%	3	9%	0	0%	2	6%
Basic	15	44%	25	73%	14	40%	9	25%
Approaching Basic	15	44%	6	18%	15	45%	12	36%
Unsatisfactory	4	12%	0	0%	5	15%	11	33%
Total	34	100%	34	100%	34	100%	34	100%

(continued)

INSTITUTE FOR ACADEMIC EXCELLENCE
(d/b/a SOPHIE B. WRIGHT CHARTER SCHOOL)
SCHEDULE 9 – iLEAP TESTS
FOR THE YEAR ENDED JUNE 30, 2009

District Achievement Level Results	English Language Arts 2009		Mathematics 2009		Science 2009		Social Studies 2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Students								
Grade 6								
Advanced	0	0%	0	0%	0	0%	0	0%
Mastery	0	0%	7	14%	3	6%	0	0%
Basic	35	67%	26	50%	28	54%	21	41%
Approaching Basic	14	27%	8	15%	17	33%	22	42%
Unsatisfactory	3	6%	11	21%	4	7%	9	17%
Total	52	100%	52	100%	52	100%	52	100%

District Achievement Level Results	English Language Arts 2008		Mathematics 2008		Science 2008		Social Studies 2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Students								
Grade 6								
Advanced	0	0%	1	2%	0	0%	0	0%
Mastery	1	2%	0	0%	0	0%	2	3%
Basic	19	29%	22	33%	22	33%	20	30%
Approaching Basic	19	29%	25	39%	27	42%	21	32%
Unsatisfactory	26	40%	17	26%	16	25%	22	35%
Total	65	100%	65	100%	65	100%	65	100%

(continued)

INSTITUTE FOR ACADEMIC EXCELLENCE
(d/b/a SOPHIE B. WRIGHT CHARTER SCHOOL)
SCHEDULE 9 – iLEAP TESTS
FOR THE YEAR ENDED JUNE 30, 2009

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	0	0%	0	0%	0	0%	0	0%
Mastery	6	8%	0	0%	12	17%	2	3%
Basic	39	55%	35	49%	41	58%	39	55%
Approaching Basic	21	30%	25	35%	13	18%	24	34%
Unsatisfactory	5	7%	11	16%	5	7%	16	8%
Total	71	100%	71	100%	71	100%	71	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	0	0%	0	0%	0	0%	0	0%
Mastery	7	7%	2	2%	1	1%	2	2%
Basic	37	38%	28	28%	30	31%	56	57%
Approaching Basic	41	41%	35	36%	40	40%	26	26%
Unsatisfactory	14	14%	34	34%	28	28%	15	15%
Total	99	100%	99	100%	99	100%	99	100%

(continued)

**INSTITUTE FOR ACADEMIC EXCELLENCE
(d/b/a SOPHIE B. WRIGHT CHARTER SCHOOL)
SCHEDULE 9 – iLEAP TESTS
FOR THE YEAR ENDED JUNE 30, 2009**

District Achievement Level Results	English Language Arts 2009		Mathematics 2009		Science 2009		Social Studies 2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Students								
Grade 9								
Advanced								
Mastery								
Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Approaching Basic								
Unsatisfactory								
Total								

District Achievement Level Results	English Language Arts 2008		Mathematics 2008		Science 2008		Social Studies 2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Students								
Grade 9								
Advanced								
Mastery								
Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Approaching Basic								
Unsatisfactory								
Total								

See independent accountants' report for applying agreed-upon procedures

INFORMATION REQUIRED BY OMB CIRCULAR A-133



Silva Gurtner & Abney

Certified Public Accountants & Consultants

Brent A. Silva, CPA
Craig A. Silva, CPA*
Thomas A. Gurtner, CPA*
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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Institute for Academic Excellence
New Orleans, LA

We have audited the financial statements of the Institute for Academic Excellence d/b/a Sophie B. Wright Charter School (a nonprofit organization) as of and for the year ended June 30, 2009, and have issued our report thereon dated December 21, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standard*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Institute for Academic Excellence's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Institute for Academic Excellence's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Institute for Academic Excellence's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Institute for Academic Excellence's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Directors, and management of the Institute for Academic Excellence, State of Louisiana and Federal granting agencies, and the Legislative Auditor of the State of Louisiana, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Silva Gurtner & Albrey, LLC

December 21, 2009



Silva Gurtner & Abney

Certified Public Accountants & Consultants

Brent A. Silva, CPA
Craig A. Silva, CPA*
Thomas A. Gurtner, CPA*
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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Directors
Institute for Academic Excellence
New Orleans, LA

Compliance

We have audited the compliance of the Institute for Academic Excellence d/b/a Sophie B. Wright Charter School (a nonprofit organization) with types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2009. The Institute for Academic Excellence's major federal programs are identified in the summary of auditors' results section of accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Institute for Academic Excellence's management. Our responsibility is to express an opinion on the Institute for Academic Excellence's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Institute for Academic Excellence's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Institute for Academic Excellence's compliance with those requirements.

In our opinion, the Institute for Academic Excellence complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

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Internal Control over Compliance

The management of the Institute for Academic Excellence is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Institute for Academic Excellence's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing an opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly we do not express an opinion on the effectiveness of the Institute for Academic Excellence's internal control over compliance.

A control deficiency in an organization's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the organization's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, Board of Directors, and federal awarding agencies and the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Silva Gurtner & Albney, LLC

December 21, 2009

**INSTITUTE FOR ACADEMIC EXCELLENCE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009**

<u>Federal Grantor/Pass through Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
U.S. Department of Education Passed through the Louisiana Department of Education:		
IDEA Part B - Special Education	84.027A	\$ 113,325
Title I - Part A	84.010A	467,120
Title II - Part A	84.367A	56,792
Title IV - Safe & Drug Free Schools	84.186A	2,250
Public Charter School Program	84.282A	629
Hurricane Educator Assistance Program	84.938K	14,025
U.S. Department of Agriculture Passed through the Louisiana Department of Education:		
School Lunch Program	10.555	121,975
School Breakfast Program	10.553	33,756
School Snack Program	10.558	14,825
Total Federal Awards		<u>\$ 824,697</u>

Notes to Schedule of Expenditures of Federal Awards

The accompanying schedule of expenditures of Federal Awards includes the federal grant activity of Institute for Academic Excellence d/b/a Sophie B. Wright Charter School and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**INSTITUTE FOR ACADEMIC EXCELLENCE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009**

Section I - Summary of Audit Results

Financial Statements

Type of auditors' report issued:	Unqualified		
Internal control over financial reporting:			
Material weaknesses identified?	_____ yes	_____ X _____	no
Significant deficiencies identified not considered to be material weaknesses?	_____ yes	_____ X _____	none reported
Noncompliance material to financial statements noted?	_____ yes	_____ X _____	no

Federal Awards

Internal control over major programs:			
Material weaknesses identified?	_____ yes	_____ X _____	no
Significant deficiencies identified not considered to be material weaknesses?	_____ yes	_____ X _____	none reported
Type of auditors' report issued on compliance for major programs:	Unqualified		
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510 (a)?	_____ yes	_____ X _____	no

Identification of major programs:

CFDA Numbers

Name of Federal Program or Cluster

84.010A

Title I - Grants to LEA's - Part A - Basic

Dollar threshold used to distinguish between Type A and Type B programs:	_____ \$300,000 _____	
Auditee qualified as low-risk audit?	_____ yes	_____ X _____ no

Section II - Internal Control and Compliance - Governmental Auditing Standards

No findings or questioned costs for the year ended June 30, 2009.

Section III - Internal Control and Compliance - Major Federal Programs

No findings or questioned costs for the year ended June 30, 2009.

**INSTITUTE FOR ACADEMIC EXCELLENCE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2009**

**Section I - Internal Control and Compliance Material to the Financial Statement Required by
Government Auditing Standards**

Compliance Finding No. 08-1:

Finding: The Institute for Academic Excellence is required to submit audited financial statements to the Louisiana Legislative Auditor prior to December 31, 2008 and failed to do so.

Current Status: Resolved.